

OMB's Temporary Pause of Grant, Loan, and Other Financial Assistance Programs

Administration Policy:

On Monday January 27, 2025, the Office of Management and Budget (OMB) released a [memo](#) to heads of federal departments and agencies calling for a *temporary* pause in funding for agency grant, loan, and other financial assistance programs. The goal of this pause is to ensure that funding is being dispersed in accordance with the policies and requirements laid out in the Trump administration's new Executive Orders:

- [Protecting the American People Against Invasion](#)
- [Reevaluating and Realigning United States Foreign Aid](#)
- [Putting America First in International Environmental Agreements](#)
- [Unleashing American Energy](#)
- [Ending Radical and Wasteful Government DEI Programs and Preferencing](#)
- [Defending Women from Gender Ideology Extremism and Restoring Biological Truth to](#)
- [the Federal Government](#)
- [Enforcing the Hyde Amendment](#)

The memo requires agencies to complete a “comprehensive analysis” of their programs and temporarily pause “activities that may be implicated by the executive orders, including, but not limited to, financial assistance for foreign aid, nongovernmental organizations, DEI, woke gender ideology, and the green new deal.”

The temporary pause is considered effective on January 28, 2025, at 5:00 PM. Agencies must submit information to OMB on all programs impacted by this pause by February 10, 2025.

According to an OMB Q&A document provided to congressional offices regarding this process, the pause “...does not apply across-the-board.” The pause does not apply to “...any program that provides direct benefits to Americans...” including Social Security, Medicare, SNAP, funding for small businesses, farmers, Pell grants, Head Start, rental assistance, and other similar programs.

The Q&A document also clarifies that this policy does not constitute an [impoundment](#), as the pause on any affected funding is temporary in nature.

Background:

- The intent of OMB's funding pause is to ensure that agencies coordinate with OMB to ensure that no existing programs are being administered in violation of federal law or the policies and requirements issued by the Trump administration's EOs.
- OMB is already working with agencies to review programs, once a program is reviewed according to the OMB guidance it will no longer be paused.